Chapter 2: The American continent: power in the North, affirmation in the South

The American continent is big: 42 million square kilometers, almost 15,000 km from North to South. Such a large landmass is bound to have some diversity. But there, contrasts are more vivid than anywhere else. The most striking one is the North / South division. North of the US / Mexican border, the USA and Canada are among the wealthiest, most developed countries in the world. South of the border, Latin America is made of a variety of LDCs composed of emerging countries, developing countries and some countries from the Fourth world in the Caribbean Basin. The political division is also extreme.

Dreams of unity are ancient. But so far they have failed to materialize. Two countries seem to stand out as potential unifiers for a divided continent. The USA is a global power, with a special interest for the American continent. Brazil is an emerging power that tries to assert its regional influence.

Problematic: Is American unity on its way? How is the USA involved in unifying the continent? Can Brazil play a role?

I. New York City and Rio de Janeiro, two global cities reflecting their countries’ power

Factfile on New York City and Rio de Janeiro:

Officially The City of New York (nicknamed "Big Apple" or "Gotham") is located in the southern end of the state of New York, thus in the northeast of the USA, approximately halfway between Washington D.C. and Boston. It is placed at the mouth of the Hudson River, and much of the city is built on the 3 islands of Manhattan, Staten Island and western Long Island. It was founded as the colony of New Amsterdam by Dutchmen in the early 17th century, and then ceded as part of the Province of New York to the British in 1664. Composed of 5 boroughs – i.e. counties (if each were to be independent cities, 4 of the boroughs - Brooklyn, Queens, Manhattan and the Bronx - would be among the 10 most populous cities in the USA), the city spread from its beginnings on Manhattan Island (between the Hudson and East rivers) onto nearby Staten Island, western Long Island, and mainland North America, incorporating the other communities in 1898.

Nicknamed "the magnificent city" (Cidade Maravilhosa) because of its breathtaking natural setting, Rio de Janeiro (named by the Portuguese explorer, Gaspar de Lemos, in January 1501, its original name means "River of January") was the colonial capital until 1808 and replaced Salvador de Bahia as Brazil’s capital in 1763 for almost 2 centuries, until the federal government shifted its headquarters to Brasilia in 1960. Rio was a city-state between 1960 and 1975, until a presidential decree removed its federative status and merged it with the state of Rio de Janeiro. Rio’s primacy suffered yet another blow in the late 1950s: São Paulo, its rival 400 km to the southwest, surpassed it to become Brazil’s largest city.

Rio is situated around the huge natural harbour of Guanabara Bay, in southeast Brazil, and occupies an area of 1 182.3 square kilometers. The city is squeezed into a narrow strip of land between the coastline and a steep range of forested mountains; miles of sandy beaches and coastal lagoons are overlooked by very steep mountains including Sugar Loaf Mountain and the Corcovado, which rises to over 700 metres. The Corcovado is world famous for its Sugar Loaf Mountain, on top of which is found the 40 m high statue of Christ the Redeemer, overlooking the city.

A. NYC, a master global city

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Source 1: Map of Manhattan (based on a French schoolbook)

Source 2: New York's boroughs

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Source 4: New York/New Jersey region's trade and transportation network

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Source 5: Global cities, an attempt of definition:

[...] There is a class of cities that are critical to the new global economy. These are called global cities, because they perform certain functions that differentiate them from others and that help drive the global economy. [...] One key element of the functional global city system is that new networks and linkages are created in the system and global cities are the points of convergence of these networks and thus acquire growing centrality and importance. Network functions are engendered through financial flows, headquarter-branch relations, high-tech service intensity, and telecommunications networks [...] Global cities should be seen as a “junction in flows” of goods, information. [...] Competitive leadership depends upon the nodality\(^1\), density, and efficiency of international transport and communication networks linking these cities to the rest of the world. Hubs within these networks have accounted for a disproportionate share of urban development and have attracted firms engaged in transport logistics, telecommunications, and air passenger transports.

Fu-Chen Lo and Yue-Man Yeung, *Globalisation and the world of large cities*, UN University Press, 2008

Source 6: The following is the text of Mayor Bloomberg's weekly radio address as prepared for delivery on 1010 WINS News Radio for Sunday, May 20, 2007.

"Good Morning. This is Mayor Mike Bloomberg.

"There's no longer much doubt that the greenhouse gases we produce by burning fossil fuels contribute to global warming; the real question now is 'What are we going to do about it?' New York's answer is straightforward; we aim to reduce our release of greenhouse gases by 30% by 2030. In fact, City government is going to lead the way by hitting that 30% target by 2017. These are ambitious goals, and last week we took some major steps toward reaching them.

"On Wednesday, I joined former President Bill Clinton in announcing a multi-billion dollar public-private partnership that will help property owners and government agencies in New York and 15 of the world's other biggest cities cut energy consumption in our existing buildings.

"Working with the Clinton Foundation, five major international banks have each pledged $1 billion to finance upgrades in heating, cooling, and lighting systems and other worldwide building improvements that will cut energy use-and greenhouse gas production-by as much as 50%. This will make a big difference in New York, because the more than 900,000 buildings in the five boroughs account for nearly 80% of the greenhouse gases we produce. [...]"

"Automobile exhaust is another major source of greenhouse gases. It also produces the air pollution responsible for the tragically high rates of serious childhood asthma in our city. That's what makes our proposed pilot project of automobile congestion pricing in Manhattan below 86th Street so important. It would cut the number of vehicles on those streets-and on streets and highways throughout the city and region-and also finance major mass transit projects. [...]"

"I stressed our city's environmental goals-especially those relating to global warming-when I spoke to mayors of many of the world's greatest cities when they were in New York last week for a global summit on climate change. Cities are at the forefront of fighting global warming. Even though cities produce more than 70% of the world's greenhouse gases, the good news is that because our homes and businesses are relatively compact and close to one another, and because we rely so heavily on mass transit, New York and other cities also tend to be very energy efficient.[...]"

"This is Mayor Mike Bloomberg. Thanks for listening."

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\(^1\) Characteristic of being a hub.
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Source 7: The 9/11 terrorist attack in New York seen from New Jersey

Source: http://static.911digitalarchive.org/REPOSITORY/IMAGES/PHOTOS/1005.jpeg

Source 8: The present-day economic crisis


Source 9: Wealth gap in cities creating a social time bomb

Growing inequality in US cities could lead to widespread social unrest and increased mortality, says a new UN report on the urban environment. In a survey of 120 major cities, New York was found to be the ninth most unequal in the world [...]. "High levels of inequality can lead to negative social, economic and political consequences that have a destabilising effect on societies," said the report. "[They] create social and political fractures that can develop into social unrest and insecurity."

According to the annual State of the World's cities report from UN-Habitat, race is one of the most important factors determining levels of inequality in the US and Canada. "In western New York state nearly 40% of the black, Hispanic and mixed-race households earned less than $15,000 compared with 15% of white households. The life expectancy of African-Americans in the US is about the same as that of people living in China and some states of India, despite the fact that the US is far richer than the other two countries," it said. [...]


Questions:
1. Prove that New York City has all the functions of a global city (define what a global city is first).
2. Prove that New York City is a hub
3. Prove that New York City has a regional, national and international influence.
4. Prove that NYC decided to develop a sustainable development program.
5. Explain the weaknesses NYC has had to face since the last decade.

B. Rio de Janeiro, an emerging global city
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Source 1: Brazil map

Source: map of the world, 2013.
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Source 2: Rio de Janeiro’s geographical features


Source 3: Rio de Janeiro means business

RIO DE JANEIRO — Brazil’s beachfront city of Rio de Janeiro has long been a lure for tourists who are drawn to miles of beaches and a relaxed outdoor lifestyle. But perceptions about Rio are changing — as is the reality. “The city of Rio de Janeiro has the greatest concentration of opportunities per square meter of any city in the world,” said Cristiano Prado, manager of infrastructure and new business at industrial trade group Firjan. Many of the opportunities are related to Rio’s central role in the 2014 World Cup and the 2016 Summer Olympics, two of the world’s biggest sporting events. [...] In addition to generating billions in public-sector investment alone, these international events are helping to push Rio out from under the shadow of São Paulo. Although São Paulo is home to the country’s banking sector, the stock exchange and many corporate headquarters, the two largest companies in Brazil — state oil company Petrobras and mining giant Vale — call Rio de Janeiro home. Rio is also the base for Brazil’s telecommunications and media industries. [...] The city plays a key role in international trade, especially for iron ore, oil and steel—and many of those sectors are expanding to meet growing global demand for raw materials. Petrobas is investing heavily—to the tune of $224 billion through 2014—to develop the massive offshore oil deposits that are buried deep under layers of salt. [...] the latest oil discoveries are expected to push Brazil into the top five of global oil producers. [...] Source: [http://latintrade.com/2011/03/rio-de-janeiro-means-business](http://latintrade.com/2011/03/rio-de-janeiro-means-business), march 2011.

Source 4: Rio’s TNCs

Rio de Janeiro hosts 2 of the 8 Brazilian companies listed by *Fortune* in its top world 500 companies. The first is Petrobas, Brazil's state-controlled oil company, which ranks 23 (it gained 11 ranks from 2011 to 2012). It has hit some rough waters. While it remains the world’s largest deepwater oil producer, the company says it foresees a slight decrease in total production over the next five years -- about 2.5 million barrels per day in 2016, compared to the estimated 3 million barrels per day by 2015 the company projected in its 2011 five-year business plan. The forecast follows an earlier announcement of Petrobras’ plan to increase gasoline prices by 7.8 percent and diesel prices by 3.9 percent. The second is Vale, a multinational diversified metal and mining corporation (the second largest mining company in the world) and which participates in energy consortia, ranking 159.

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Source 5: Rio economic sectors:
Primary Sector: Rio basically invests a lot in sugar-cane production. It has large plantations in the area of Campos. Production of oranges too forms a major part of the farming sector. Coffee was once a key industry but due to environmental factors, it has lost its importance. Other food grains are also produced but not in large amounts to be sold on a large scale. Among the livestock industry there are various animal farms all over the city. Fishing of sardines is also a significant part of the Brazilian economy.

Industrial Sector: Rio has attracted many oil companies with the discovery of oil in the Campos basin. There are many international oil companies like Shell, EBX and Esso which have their branches in the city. Not just branches, but many companies have their headquarters situated in Rio. Some of them are telecom corporations like Oi and Embratel. Rio comes second in the industrial sector and is a foremost financial and service centre. The service sector is dominated by the banking sector which is an active part of the economy. Rio’s stock exchange Bolsa da Valores is the second most dynamic stock market in Brazil.

Tourism Sector: Tourists, both international and other Brazilian visitors are beneficial in boosting Rio’s economy. The world famous carnivals, beaches and the ecological beauty of Rio attracts thousands of tourists from all around the world. The multiculturalism found in Brazil and Rio is rare and therefore the diversity in traditions, lifestyle, and cuisine catches the attention of many. The tropical climate is also one of the main reasons for the increasing tourist influx. The city can be visited any time of the year as the climate, even if hot is bearable.


Source 6: Rio+20 Earth summit
The first Earth summit in 20 years is formally called The United Nations Conference on Sustainable Development. After Stockholm in 1972 and Rio in 1992, it is the third and biggest in a series of landmark global gatherings that aims to find a balance between economic growth and environmental protection. The high-level summit will be held from 20 to 22 June at the Riocentro Convention Centre in Rio de Janeiro, Brazil. [...] Representatives from more than 190 countries, including 130 leaders, will participate in the formal session. In addition, it is estimated that 50,000 participants from civil society and business groups will take part in side events and the People's summit. The political weight is tilted heavily towards emerging economies and developing nations. Brazil, Russia, India and China will be represented by national leaders. In Europe the picture is mixed: France and Spain are among those participating at the highest level. [...] Rio+20 is much bigger than its predecessor, but it has also been criticised for being vaguer and less ambitious. The earlier Earth summit resulted in the landmark conventions on climate change and biodiversity. This time, however, organisers do not expect any legally binding treaties. Instead, they hope nations will agree to a set of shared principles, landmarks and goals and initiate a process to define what it means to be sustainable. [...] Leaders will grapple with two main themes: How to build a green economy that reduces poverty without destroying the environment, and how to improve global governance. [...] Draft texts have included proposals to strengthen protection of the world's oceans [...] to promote alternatives to GDP as a measure of well-being, to reduce subsidies for fossil fuels [...] to encourage investment in natural capital, and to provide financial support for poorer nations to move onto a more sustainable track. [...] As at the climate talks in Copenhagen and Durban, and the earlier Rio conference, there are considerable divisions - particularly between developed and developing countries - about burden sharing and whether to emphasise environmental protection or poverty alleviation. [...] Delegates also disagree on the extent to which environmental reporting and progress towards commitments should be checked. [...] Source: The Guardian, June 6th, 2012 (http://www.guardian.co.uk/environment/2012/jun/06/rio-earth-summit).

Source 7: Port of Rio de Janeiro
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| Source 8: | Rio airports in passengers flows (2010) |
| Source 9: | video Brazilian army takes control of the largest favela in Rio |
| Source 10: | video Rio de Janeiro, aerial view |

The 2016 Olympics are helping Rio to emerge from the shadow of São Paulo. Rio de Janeiro will receive about $32 billion in infrastructure investments through 2015. The investments include upgrades to Rio’s port and international airport and improvements to the city’s transportation grid. A transformation is also taking place in the hillside slums that also ring Rio de Janeiro, once home to lawlessness and drug trafficking. As questions about Rio’s ability to guarantee safety during the World Cup and Summer Olympics resurfaced, government officials sent federal troops into one of the city’s largest favelas to clear out the gang members and restore order. So far, the measures have...
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shown promise. Some statistics indicate that crime rates are dropping, while the government has been
adding social and other services and reaching those that need them most. Rio built new police data and
intelligence centres and increased training and salaries for street officers. [...] Other projects are under way
that underscore the long-term prospects for Rio beyond the sporting events. [...] 

Questions:
1. Locate precisely Rio de Janeiro in Brazil and identify its official status.
2. Prove that Rio possesses the function of a global city.
3. Prove that Rio is increasing its attraction in global economy.
4. Prove that Rio is developing its visibility on the world governance.
5. Prove that Rio tries to be more visible on the international scene.
6. Explain that Rio is emerging as a global city but that it has to face many stakes and challenges.

C. From controlling the world to attempting to play a major role, comparison of two global cities
of different level

Questions:
1. Compare the hard power of both cities
2. Compare the soft power of both cities
3. Compare weaknesses of both cities
4. Explain that these two global cities are the mirror of their respective countries’ power.
5. Show that domination of both global cities is far from equal but that Rio is emerging whereas New York
is trying to consolidate its power and face competition.